

to seventy-five per centum (75%) of the eligible cost of the project minus the maximum Federal grant for which the project would be eligible if sufficient Federal funds were available, except that when the size of the Federal grant is increased by the Secretary of the Interior as the result of the project being in conformity with a comprehensive plan for a standard metropolitan statistical area, such increase shall not be used to decrease the amount of the outright State grant.

2. When for lack of adequate Federal funds at the time the petition is filed, the amount of Federal funds available for a grant is a lesser per centum of the eligible cost of the project than that to which it was found to be entitled under the provisions of the Federal Water Pollution Control Act, the petition may include a request for the advance payment of the Federal deficit, provided that the petitioner shall contract to repay to the State for the deposit to the Sanitary Sewerage Facilities Loan account all subsequent Federal funds which the petitioner may receive to make up the original Federal deficiency.

3. When the petitioner has received a grant offer under the Federal Water Pollution Control Act for a demonstration project, equal to seventy-five per centum (75%) of the cost of the said project, then the funds made available under this Act shall be allocated as an outright State grant to the petitioner in an amount no greater than twelve and one-half per centum (12½%) of the eligible cost.

(c) Petitions in the first instance shall be directed to the State Department of Health and upon approval by the Department shall be forwarded to the State Board of Public Works, together with its report that the project has been approved by the Department and the lawful Federal authority under the Federal Water Pollution Control Act. The report shall certify the sum of the outright State grant and the sum which is required to advance all or part of the Federal grant for which the project is eligible and must incorporate a recommendation that the Board of Public Works shall make available the necessary funds as provided hereunder.

(d) The Board of Public Works shall allocate from monies available under this Act, to every county, municipality, or any agency thereof, or any special governmental agency which is charged with providing a sanitary facility, whose plan is approved, the sum recommended by the State Department of Health. The Board of Public Works shall certify the allocation of State funds to the Treasurer of the State and the Treasurer shall make them available to the local governments and agencies which submitted the petitions, when needed for the construction of the respective projects.

(e) The Board of Public Works is authorized, in its discretion, to adopt and promulgate rules and regulations for receiving such petitions from local governments and agencies in this State, and for the consideration of the petitions and disbursing of the funds to the petitioning local governmental units and agencies, within the spirit and intent of this Act.

SEC. 6. *And be it further enacted,* That until all of the interest on and principals of any Certificates issued under this Act have been paid in full, there is hereby levied and imposed an annual State tax on each One Hundred Dollars (\$100) of assessable property at the